



Fiscal Note

H.B. 88 1st Sub. (Buff)

2018 General Session
Electronic Cigarette and Other Nicotine
Product Amendments
by Ray, P. (Ray, Paul.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$4,832,500	\$(1,549,100)	\$3,283,400

State Government

UCA 36-12-13(2)(b)

Enactment of this bill may increase revenue to the newly created Electronic Cigarette and Other Nicotine Product Tax Restricted Account by \$2,000,000 beginning in FY 2019. The bill may also increase revenue to the General Fund by \$3,300,000 in FY 2019 and \$5,000,000 in FY 2020.

Revenues	FY 2018	FY 2019	FY 2020
General Fund	\$0	\$5,000,000	\$5,000,000
General Fund, One-Time	\$0	\$(1,700,000)	\$0
New Account Created By Legislation	\$0	\$2,000,000	\$2,000,000
Total Revenues	\$0	\$5,300,000	\$7,000,000

Enactment of this bill may cost the Department of Administrative Services \$2,800 ongoing beginning in FY 2019 for ongoing accounting administration and \$1,000 one-time in FY 2019 to set up the account. The bill may also cost the Department of Health \$164,700 ongoing plus \$12,800 one-time from the General Fund in FY 2019 for regulatory and compliance costs.

Expenditures	FY 2018	FY 2019	FY 2020
General Fund	\$0	\$167,500	\$167,500
General Fund, One-Time	\$0	\$(150,900)	\$0
Total Expenditures	\$0	\$16,600	\$167,500

Net All Funds	\$0	\$5,283,400	\$6,832,500
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Local Government

UCA 36-12-13(2)(c)

Enactment of this bill may increase revenue to the 13 local health departments by \$2,000,000 beginning in FY 2019 to cover costs associated with nicotine inhaler and alternative tobacco product enforcement and education.

Individuals & Businesses

UCA 36-12-13(2)(d)

Enactment of this bill may increase the tax burden for purchasers of electronic cigarettes and other nicotine products by \$5,300,000 in FY 2019 and \$7,000,000 in FY 2020.

Regulatory Impact

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.